



January 23, 2004

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EX PARTE – VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Re: CC Docket No. 96-45
CC Docket Nos. 01-338, 96-98, 98-147
WC Docket No. 03-157
Notice of Oral Ex Parte Presentation

Dear Ms. Dortch:

On January 21, 2004, Ron Duncan, President of GCI, and I met with Commissioner Martin and Jason Williams of his staff. In the meeting, GCI reiterated the need for implementing competitively-neutral universal service policies and deploying competition to discipline demands on the universal service fund. Consistent with its prior filings in CC Docket No. 96-45, GCI urged the Joint Board to recommend capping per line support in a study area with competitive ETCs and making support truly portable. In addition, the definition of supported services could be revisited to ensure that only those services intended for support receive support. In the event that the Joint Board considered any type of auction mechanism to distribute support, it could consider tying the initiation of an auction to competitive entry in the market and a request from a designated ETC for auction. GCI also provided a copy of the David Sappington paper, "Harnessing Competitive Forces to Foster Economical Universal Service," filed in CC Docket No. 96-45 on December 19, 2003.

GCI also emphasized its continued impairment with respect to mass market switching in the Anchorage, Fairbanks, and Juneau markets. Despite considerable investment in switching and fiber facilities in each of these local service areas, there still remain loops to which GCI cannot gain access due to the incumbent's network configuration. Particularly in these instances, GCI is impaired without access to mass market switching, and full USF support and access charges appropriately must continue to be available for these lines.

In accordance with the Commission's rules, a copy of this letter is being filed in the above-captioned proceedings.

Sincerely,
/s/
Tina M. Pidgeon
Vice President, Federal Regulatory Affairs